

Type of meeting: Sullivan County Delegation Executive Finance Committee Meeting
Minutes
Date/Time: June 12, 2009; 8:30 a.m.
Place: Remington Woodhull County Complex, 14 Main Street Newport NH
03773

EFC Members present: Representatives Gottling, Cloutier, McClammer, Osgood, and Rodeschin

Ex officio members present: Representatives Sweeney & Gagnon

County personnel present: County Administrator Chanis, SCHC administrator Ted Purdy, Superintendent Ross L. Cunningham, High County Sheriff Michael Prozzo

Public present: Anne Nilsen, Larry Converse, and Brenda Ferland

The meeting was called to order by Rep. Gottling at 8:43 a.m.

Minutes were postponed.

Rep. McClammer arrived at 8:48 a.m.

The chair opened a discussion on the minutes. The chair feels the minutes are thin. Tapes are retained only until the minutes are accepted. Minutes have a basic overview and highlights of discussions and a written record of motions. The chair would like greater detail.

The chair reported that representatives of the County met with Sunapee town officials on 6/1/09. All delegation members have received a letter from Stephen White, Chair of the Select Board, asking that taxes be kept as low as possible.

A letter is expected from Claremont city officials asking that we not allow the 3% pay raises. Rep. Osgood referred to his previous motion regarding level funding. Rep. Gottling stated that the public had three separate opportunities to ask for cuts prior to the presentation of the budget. Rep. Gagnon said that individuals are now being presented with issues and our job now is to be the heavy. Rep. Rodeschin stated that this was our job by law.

Mr. Purdy explained the new Medicaid reimbursement figures. These figures are done every six months and represent the Federal government's idea of what it should cost for each patient in a nursing home. These are the figures used to reimburse each nursing home for its patients.

Rep. Rodeschin asked for an explanation of F-Map. Mr. Purdy explained that is the rate for Medicaid reimbursement.

Mr. Chanis explained that previously the County paid 50% of nursing home care and the Federal government paid 50%. Using unemployment figures as a guide, stimulus money was used to change the numbers to 42.8% from the County and 56.2% from the Federal government. The County is operating under a cap, so the County pays up to the cap and the State of NH pays the rest. Stimulus money continues for 27 months, going back to October, 2008. Since the Feds are paying more, we should receive a rebate since our 50% was already paid.

Rep. Gottling asked if we needed to adjust our budget projections to reflect these new numbers.

Mr. Chanis said that stimulus money had not been figured into the budget so it should make up any difference.

Rep. Rodeschin asked if any extra would be applied to the deficit.

Rep. Gottling said that is what she would like to see happen.

Discussion took place around keeping our budget figures where they are now.

The census projection for FY 2010 has been raised to 140 from the FY 2009 137.

Rep. Cloutier said that Mr. Purdy and Mr. Chanis have done a good job of getting the nursing home back on track and we should trust their judgment. Rep. Osgood is uncomfortable without knowing the numbers. We know the income numbers but the expenses are questionable.

Mr. Chanis pointed out that changing revenue figures is where the County got in trouble before. Also, increasing revenues means increasing expenses. Both Mr. Chains and Mr. Purdy are uneasy but feel it would be a small amount that could be corrected by the increase in census by 1.

Rep. Gottling asked if the revenues should be increased to 140.

Rep. Osgood would agree with that.

Rep. McClammer stated that that kind of change was statistically insignificant.

Rep. Rodeschin stated that the state budget has not been passed and that HHS has been asked to make significant cuts. How would that affect the County budget?

Discussion took place around when we will know what the state budget will be.

Rep. Gottling suggested we schedule another meeting when we have more understanding of the state budget.

A follow-up discussion was scheduled for June 22 at 8:30 a.m.

Rep. Gottling presented her proposal for changes in the Commissioners' budget. She said there are three places the budget can be cut: 1: salaries, 2: New Projects, and 3: Capitol Improvements. In her proposal she did not touch salaries. The suggested cuts are a starting point for discussion. There is a group that would bring the budget to a .2% increase and another that would result in 0% increase.

Rep. Rodeschin wanted to go back to Rep. Osgood's motion to level fund the budget.

Rep. McClammer wants to know what purpose is served by going over what could have happened two months ago again and again. That did not happen and here we are. Let's move forward.

Rep. Cloutier thought the suggested cuts were a good starting point. Our goal is 0% increase in taxes. We need to be conscious of what towns and citizens want when they are experiencing cuts in jobs and benefits. We should try to get as close as we can to a 0% increase. It is not a year to give everyone all that the department heads want. On non-union employees, give a 1.5% salary raise instead of the 3% budgeted. This is an issue for union vs. non-union. But the salary scale is not the same for both groups. The time is not right for salary increases. Perhaps next year we can give more. The deficit needs to be gone.

Rep. Gottling asked that the committee look at her proposal and discuss salaries at a later time.

Rep. Rodeschin asked for a 10 minute recess to confer with her Republican colleague.

Recessed at 10:10 a.m.

Reconvened at 10:20 a.m.

Mr. Chanis stated that he, Mr. Purdy and Mr. Cunningham were uncomfortable with the detail with which the cuts were applied. If zero is what we want, then they will get us to zero.

Rep. Gagnon stated that everyone was on the same page. 0% increase in the budget is the main goal. Suggests that we recommend that the county come up with 0% increase in the budget. Give us a list of proposed cuts that they would find acceptable.

Rep. Osgood does not agree with the recommendations in the Gottling proposal. He wants to ask the county manager to come up with a 0% increase.

Motion by Rep. Osgood, seconded by Rep. Rodeschin.
Motion: To accept County Administrator's offer to review the FY 2010 proposed Commissioners' budget with the goal of a 0% increase in the amount to be raised in taxes over the FY 2009 amount of \$12,956,211.

Amendment by: Rep. Gottling. Seconded by: James McClammer
Amendment: To accept proposal submitted by the Executive Finance Committee as a suggested guide for considering reductions to reach this goal.

Roll Call vote: The motion with amendment passed on a roll call vote of 5 – 0.

Rep. Cloutier wants to see what the County Administrator comes back with on zero tax increase in the budget, but does not want to forego the possibilities of looking at salaries. He is sensitive to the feedback and the peoples' feelings in this situation. He still might offer a motion on no salary increase realizing that this would only affect the non-union people and knowing full well that their work ethic is above and beyond the standard for a raise.

Rep. Gottling said that the Department heads were good advocates for their departments but we must pay down the deficit and build up the fund balance.

Rep. Rodeschin wants to be on record that she is not in favor of any motions to freeze salaries.

Rep. Gottling pointed out that her proposal does not touch raised. She is not in favor of reducing salaries, but we must do everything to pay down the deficit and build up the fund balance.

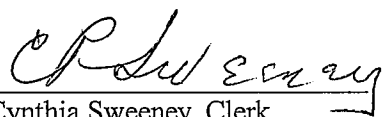
Public participation:

Former Representative and budget committee chair Brenda Ferland was concerned about the use of stimulus money. She was happy to see it was not used in the budget.

Former Representative Larry Osgood stated that over the last 10 years taxes have either gone down or remained the same except for the last year. We did not pay our debts and got into trouble.

Rep. Rodeschin moved, seconded by Rep. McClammer, to adjourn until Monday June 22 at 8:30 a.m.

Respectfully submitted,


Cynthia Sweeney, Clerk

Delegation / Ex-Officio EFC

Date signed: _____